

[REDACTED]  
[REDACTED]  
[REDACTED]  
APR 18 1984

CERTIFIED MAIL

Dear Applicant:

We have considered your application for exemption from Federal income tax as an organization described in Section 501(c)(9) of the Internal Revenue Code and the supporting information submitted.

You are a trust formed for the purpose of paying supplemental retirement income welfare payments to retirees so as to account for some portion or all of the cost of living since retirement.

Eligibility for your benefits is set forth in Article II, Section 1 of your Rules and Regulations. Retired employees are eligible if they were awarded a pension benefit from the [REDACTED].

Your income comes from contributions from participating employers.

Section 501(c)(9) of the Code exempts from Federal income tax voluntary employees' beneficiary associations providing for the payment of life, sick, accident or other benefits to their members (or their dependents or designated beneficiaries) of no part of the net earnings inures (other than through such payments) to the benefit of any private shareholder or individual.

Section 1.501(c)(9)-3(e) of the Income Tax Regulations provides that for collectively bargained trusts other benefits also include any benefit provided in the manner permitted by paragraphs (5) et. seq. of Section 302(c) of the Labor Management Relations Act of 1947 "except to the extent otherwise provided in these regulation".

Code	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
Surname							
Date		7/18/84					

[REDACTED]

Section 1.501(c)(9)-3(f) of the Regulations provides examples of nonqualifying benefits and holds that the term "other benefits" does not include any benefit that is similar to a pension or annuity payable at the time of mandatory or voluntary retirement. So, regardless of their status under the Labor Management Relations Act, benefits similar to a pension or annuity are not qualifying benefits under Section 501(c)(9) of the Code.

The facts presented show that your trust will pay supplemental retirement income to retired employees. Such benefits are not qualifying life, sick, accident or other benefits within the meaning of Section 501(c)(9) of the Code and the corresponding Regulations.

Therefore, we have concluded that you do not qualify for exemption as an organization described in Section 501(c)(9) of the Code. Also, based on the information submitted, exempt status will not be recognized under any other paragraph of Section 501(c) of the Code.

You are required to file Federal income tax returns. Returns for prior years should be filed with this office within 90 days of the date of this letter, unless a request for an extension of time is granted. File returns for later years with the appropriate service center indicated in the instructions for those returns.

If you do not accept our findings, we recommend that you request a conference with a member of our Regional Office of Appeals. Your request for a conference should include a written appeal giving the facts, law, and any other information to support your position as explained in the enclosed Publication 892. You will then be contacted to arrange a date for a conference. The conference may be held at the Regional Office or, if you request, at any mutually convenient District office. If we do not hear from you within 30 days of the date of this letter, this determination will become final.

Sincerely yours,

cc: [REDACTED]

[REDACTED]  
District Director

Enclosure: Publication 892